10th March and 3rd April, 1986 regarding reduction in indigenous price of DMT as also reduction in customs duty on import of DMT/PTA;

(b) if so, what reasons have been advanced by the Association in support of their demand; and

(c) what is the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Memoranda dated the 21st January, the 10th March and the 3rd April, 1986 on the subject have been received from the Association of Senthetic Fibre Industry, Bombay. In these memoranda, the Association have mainly requested for reduction in import duty on DMT|PTA and also reduction in the indigenous prices of DMT.

(b) The reasons advanced by the Association for reduction in customs duty on imported DMT|PTA and reduction in indignous prices of DMT are, *inter-alia*, rise in the cost of production of polyester consequent to increase in customs duty on DMT|PTA, price increase by the indigenous DMT manufacturers not justified by the fair price worked out by BICP, high CIF price of PTA as compared to that of DMT, technological advantage in using PTA instead of DMT for the manufacture of polyester, and gain in revenue in directly importing PTA, which has a higher CIF value, in place of the raw materials for manufacture of DMT viz., Paraxylene and Methanol.

(c) Having regard to the findings of BICP, the representations received from time to time from the trade including the Association of Synthetic Fibre Industry, the fact that production of DMT has already been established in the country and as DMT and PTA can both be used as raw materials in the manufacture of synthetic fibre|yarn, etc. the rate structure of import duty on DMT|PTA has been revised in April, 1986 in the interest of indigenous production of DMT in the country.

Removal of excise duty on mustard|rape-seed refined oil

1175. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of FINANCE be pleased to state:

(a) whether a representation dated the 10th March, 1986 by the Oil Refiners Association, Jaipur, was submitted to him demanding removal of excise duty on mustard|rape-seed refined oil to bring it at par with soyabean|cotton seed oil; and

(b) if so, what decision has been taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) Yes, Sir. Having regard to relevant considerations the Government has reduced the excise duty on refined mustard|rapessed oil from Rs. 1500|- per MT to Rs. 750|- per MT with effect from 24th April, 1986.

Losses incurred by Hotel Kalinga Ashok, Bhubaneshwar

1176. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state:

(a) what was the net loss incurred by Hotel Kalinga Ashok, Bhubaneshwar, during the period from 1st April, 1985 to 31st March 1986 and what are the reasons therefor; and

(b) whether the Hotel earned any profit during the financial year 1984-85 and if so, how much?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT): (a) The net loss incurred by Hotel Kalinga Ashok, Bhubaneshwar during the period from 1st April, 1985 to 31st March, 1986 was Rs. 20.65 lakhs (Provisional).

The main reasons for the losses in the hotel are as follows:—

—On-going expansion works of the hotel affecting room occupancy;

—Addition of new hotels in the Private Sector with better facilities;

—Non materializtion of some group bookings.

(b) No, Sir.